

January 18, 2012

To all members of the House Education Committee,

On behalf of the over 5,000 public school employees from fourteen school districts in Macomb County and two districts in Wayne County represented by the MEA/NEA Local 1 and the 6-E Coordinating Council, I am here to testify that we oppose the passage of the following bills-

SB 619-(Colbeck)-Education; public school academies; certain requirements and limitations on authorizing cyber schools; revise.

SB 621-(Hansen)-School aid; other; conditions under which public school may receive school aid for instruction provided to nonpublic school students at nonpublic school site; revise.

SB 622-(Emmons)-Education; students; dual enrollment eligibility; modify in postsecondary options act.

SB 623-(Emmons)-Education; students; dual enrollment eligibility; modify in career and technical preparation act.

SB 709-(Emmons)-Education; students; dual enrollment opportunities for high school students in career and technical preparation programs; expand to nonpublic school and home school students.

SB 710-(Emmons)-Education; students; dual enrollment opportunities for high school students in certain postsecondary institutions; expand to nonpublic school and home-schooled students.

Regarding SB 619, Cyber schools have no proven record of achievement that make them worth taking scarce taxpayers' dollars away from already severely underfunded public schools. Cyber schools are known, however, as a great way to generate large profits for privately owned cyber school companies, such as K12 Learning. K12 Learning is the largest cyber school in the country. It was founded by Former Secretary of Education, William Bennett, who worked under President Reagan; and billionaire former junk-bond king, wall street swindler, and convicted felon, Michael Milken.

The following is taken from a New York Times in-depth report from December 12, 2011

<http://www.nytimes.com/2011/12/13/education/online-schools-score-better-on-wall-street-than-in-classrooms.html?pagewanted=all>

“The New York Times has spent several months examining this idea, focusing on K12 Inc. A look at the company’s operations, based on interviews and a review of school finances and performance records, raises serious questions about whether K12 schools — and full-time online schools in general — benefit children or taxpayers, particularly as state education budgets are being slashed.

Instead, a portrait emerges of a company that tries to squeeze profits from public school dollars by raising enrollment, increasing teacher workload and lowering standards. Current and former staff members of K12 Inc. schools say problems begin with intense recruitment efforts that fail to filter out students who are not suited for the program, which requires

strong parental commitment and self-motivated students. Online schools typically are characterized by high rates of withdrawal.

Teachers have had to take on more and more students, relaxing rigor and achievement along the way, according to interviews. While teachers do not have the burden of a full day of classes, they field questions from families, monitor students' progress and review and grade schoolwork. Complaints about low pay and high class loads — with some high school teachers managing more than 250 students — have prompted a unionization battle at Agora, which has offices in Wayne, Pa.

A look at a forthcoming study by researchers at Western Michigan University and the National Education Policy Center shows that only a third of K12's schools achieved adequate yearly progress, the measurement mandated by federal No Child Left Behind legislation.

Some teachers at K12 schools said they felt pressured to pass students who did little work. Teachers have also questioned why some students who did no class work were allowed to remain on school rosters, potentially allowing the company to continue receiving public money for them. State auditors found that the K12-run Colorado Virtual Academy counted about 120 students for state reimbursement whose enrollment could not be verified or who did not meet Colorado residency requirements. Some had never logged in.

“What we’re talking about here is the financialization of public education,” said Alex Molnar, a research professor at the University of Colorado Boulder School of Education who is affiliated with the education policy center. “These folks are fundamentally trying to do to public education what the banks did with home mortgages.” **End of excerpt.**

Executive Compensation for Cyber School Owners

For the November 8, 2011 election, Local 1 partnered with the Macomb ISD to try to pass a special education millage. This millage election was attacked primarily by the Macomb Republican Tea Party, Leon Drolet, the Mackinac Center, and the Detroit News as being an unnecessary waste of taxpayer's money. Public school teacher compensation and especially administrator compensation were attacked by these groups as being outrageous. These groups pointed out that some teachers and dozens of public school administrators are paid over \$100,000 a year. Christine Johns, Superintendent of Utica Public Schools which has almost 30,000 students, has a total compensation package of almost \$300,000 a year.

Yet these same conservative Republican groups have nothing to say about Cyber or Charter School executive compensation. Superintendent Christine Johns oversees Utica Public

Schools with 30,000 students. CEO Ron Packard's K12 cyber schools have over 40,000 students, so he's responsible for 25% more students.

Conclusion? Superintendent Christine John's \$300,000 plus compensation is outrageous!

However, Ron Packard's \$5,000,000 pay package paid for with the same public school tax dollars? Oh, that's just the free market at work.

Cyber schools are designed primarily to create record profits and record executive compensation for privately owned companies using public school tax dollars. Their record speaks for itself.

Public schools are designed to educate our children in order to become happy, healthy, productive American citizens. For almost 200 years, most of America's citizens were and are products of America's public schools. Those public school-educated children grew up to make America what it is today; the wealthiest, most powerful nation in the history of the world.

However, these bills are part of the unprecedented assaults against our public schools and public school educators which leave the future of our children in doubt.

The next set of 5 bills, SB 621,622,623,709, and 710 all deal with using public school dollars to subsidize some school funding of home schooled and privately schooled children. The use of public school tax dollars to subsidize privately schooled and home schooled children will help to further erode funding for our public schools and aid in their decline.

The demise of our public schools will result in a further fragmented society consisting of an elite citizenry that has access to partially subsidized (by tax-payer dollars) private schools, home-schooled students, and those who are relegated to attend severely underfunded public schools. Granted, these bills are not a full voucher program, but they are a step in that direction.

These bills will allow privately educated children to have some of their college classes subsidized by public school tax dollars. The parents of these children will gain greater wealth by having their private school tuition partially subsidized with public tax dollars. Also, private schools will be able to realize greater profits by using public school tax dollars to expand. As private schools, though, they will be able to expand by choosing the children they deem acceptable for their programs. Public schools have to accept all children and don't have the luxury to pick and choose.

All of these bills have one thing in common. They are designed to help public schools fail. We believe the authors and supporters of these bills do not believe in Michigan's public schools and that they are using these bills to help speed the demise of our public school system.

The educators of Local 1 and the 6-E Coordinating Council believe in our students and believe in our public schools. Therefore, we do not believe that these bills should be passed.

Sincerely,

John Duffy

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